

MINUTES  
Board of Regents  
September 18, 2020

The Board of Regents of Washington State University (WSU or University) met pursuant to call in Open Meeting at 8:00 a.m. on Friday, September 18, 2020. Due to Governor Jay Inslee's Proclamation 20-28, dated March 24, 2020, and to reduce risks related to the COVID 19 pandemic, the meeting was conducted using phone and video technology.

Present: Brett Blankenship, Chair; Regents Ted Baseler, Arliegh Cayanan, Enrique Cerna, Marty Dickinson, Lura Powell, Heather Redman, Lisa Schauer, John Schoettler, and Ron Sims; Executive Vice President and Provost Elizabeth Chilton, President Kirk H. Schulz, and Faculty Representative Greg Crouch.

**I. OPENING**

**A. Report from the Chair of the Board of Regents.** Chair Blankenship called the meeting to order and welcomed audience members. He reminded the audience that the Regents, as well as presenters, would be participating in the meeting by phone and video.

Chair Blankenship extended a special welcome the Board's newest member, Regent John Schoettler. Regent Schoettler is a 1980 WSU Graduate and is returning to WSU, this time to serve on the Board of Regents. Regent Schoettler is an Amazon executive currently serving as Amazon's Vice President of Global Real Estate and Facilities and was appointed to the Board by Governor Jay Inslee on July 1, 2020. Chair Blankenship also extend a special welcome to the Board's new Student Regent, Arliegh Cayanan, also appointed by Governor Inslee on July 1, 2020. Regent Cayanan is a fourth-year student in the College of Pharmacy and Pharmaceutical Sciences at the WSU Spokane Health Sciences Campus. Chair Blankenship further welcomed WSU new Executive Vice President and Provost Elizabeth Chilton to the meeting. Dr. Chilton, formerly the Dean of the Harpur College of Arts and Sciences at Binghamton University, joined WSU on August 1, 2020. Chair Blankenship also recognized Greg Couch, the Board's new Faculty Representative. Dr. Crouch is a Clinical Professor and Associate Chair for Undergraduate Studies in the Department of Chemistry.

Chair Blankenship reminded the audience that there would be a public comment period during the meeting to be held at the conclusion of the Board's regular business and stated the period would last for up to 10 minutes. He noted that each speaker would be allowed two minutes and preference would be given to speakers who were speaking to matters that are or will be before the Board.

**B. Report from the President of the University.** President Schulz welcomed the audience and the Regents to the meeting. He began his report acknowledging the outstanding work being done by WSU faculty and staff. President Schulz said during this time many of our community members are attempting to do their full-time jobs at the University, while at the same time being challenged with a lack of childcare, eldercare responsibilities, and other hardships that have made this a very stressful time. He said in the work environment, WSU has had a fairly seamless start to the semester and said he is very proud of the faculty and staff for the work they are doing with WSU's students. He went on to say that operating in the Zoom environment and

delivering technology-based instruction, the things we are doing are not easier and nor are they quicker. This means many of WSU's faculty and staff are working long hours. President Schulz said it is important to eliminate stress in the work environment when possible and that he had suggested tips on eliminating unnecessary "stressors," such as eliminating long emails when a phone call could accomplish the same, critically assessing whether a Zoom meeting is necessary, and considering if there other ways to get business done. He said in today's age of technology it seems we are all expected to be available 24/7 and it is very important to take breaks from Zoom and social media. President Schulz said he really wanted the Regents to know how proud of WSU's workforce and students he is.

President Schulz further reported on the following initiatives:

Cougs Cancel COVID Campaign – Vice President Mary Jo Gonzales and her colleagues, working with WSU's students, developed a Cougs Cancel COVID Campaign that Governor Inslee is using as example of outstanding science-based messaging. President Schulz said he is proud of our team for developing this campaign and for continuing to work diligently in our community to get the COVID positive numbers down in a sustainable fashion.

Center for Research in Emerging Infectious Disease – WSU's Paul G. Allen School for Global Animal Health is launching a new Center for Research in Emerging Infectious Disease in Nairobi, Kenya. The new research center will have the capacity to address infectious disease outbreaks in eastern and central Africa and have an immediate impact to save lives. The center was made possible by \$7.6 million in funding over five years from the United States' National Institute of Allergy and Infectious Diseases (NIAID), part of the Nation Institutes of Health.

Research – WSU set a new record for sponsored research for Fiscal Year 19 at nearly \$370 million dollars. National Institute for Health (NIH) is WSU's single largest federal granting agency with nearly \$60 million annually. President Schulz said this is very impressive and if you compare this on a per faculty basis, WSU ranks higher than Purdue, Texas A & M and some other very large institutions. He said we have outstanding faculty at WSU.

WSU Athletics – President Schulz reported for the first time and under the leadership of Athletic Director Pat Chun, all WSU athletic teams averaged a 3.0 GPA in the spring semester of 2020. President Schulz said when Pat was hired he said "if you take care of things in the classroom, it's gonna take care of things on the field". President Schulz stated that is an amazing achievement and WSU should be proud of this accomplishment.

College of Medicine – WSU announced accreditation for our first ever residency program at the WSU College of Medicine. The WSU Internal Medicine Residency program is based at Providence Regional Medical Center. It will be a three-year residency training program with a focus on primary care; 16 resident positions have been approved for the first year; 12 will be welcomed in June of 2021; and 12 more will be added each year over the next 3 years with a cap of a total of 40 residency positions when fully supported.

Computer Science – Computer Science is a growing technology industry throughout the state of Washington and graduates in Computer Science are in high demand. Last year, the Voiland College of Engineering and Computer Science produced over 200 Computer Science graduates,

which is double that of 2014. WSU is placing those graduates at places like Amazon and in other high-tech industries in the greater Seattle area and throughout the state.

In conclusion, President Schulz said even in the midst of COVID, the University is thriving because we have really great people who are continuing work hard and look towards the future.

## **II. CONSENT AGENDA.**

Chair Blankenship reported there was one item on the Consent Agenda.

### **A) Approval of Minutes – June 26, 2020, Board of Regent Meeting**

Chair Blankenship asked if any Regent wished to remove the item on the Consent Agenda to be considered separately. Hearing no requests, it was moved and seconded that the Consent Agenda be approved. Carried.

**III. REPORTS FROM SHARED GOVERNANCE GROUPS.** Representatives from the following University groups—Foundation Board of Directors, Faculty Senate, Associated Students of Washington State University, Graduate and Professional Student Association, Administrative Professional Advisory Committee, and the Alumni Association—presented their reports. (*Exhibit A*)

**IV. BOARD OF REGENTS COMMITTEE REPORT.** Chair Blankenship reported the Board met in committee of the whole on Thursday, September 17 and reviewed and held a robust discussion on numerous agenda items. He said the Board discussed at length the COVID 19 pandemic and WSU's approaches and initiatives including community testing strategies. Chair Blankenship further reported the Regents heard an Office of Research update presented by Vice President for Research Chris Keane, a Modernization Initiative update presented by Associate Vice President for Finance Matt Skinner and WSU System Strategic Plan Implementation update presented by Chief of Staff Christine Hoyt. Chair Blankenship reported the Board held an extensive discussion on the Revised FY2021 Athletics Budget Approval Action Item and as a result of that discussion the Board had decided to postpone consideration for approval until a future meeting. Chair Blankenship submitted the following Action Items for Board's consideration:

#### **President's 2020-2021 Goals and Objectives**

It was moved and seconded that the Board of Regents accept the President's 2020-2021 Goals and Objectives as amended per recommendations by the Board at its September 17, 2020, meeting. Carried. (*Exhibit B*)

#### **Revised FY2021 Athletics Budget Approval**

It was moved and seconded that the Board of Regents postpone consideration of the Revised FY2021 Athletics Budget Approval until a future meeting. Carried. (*Exhibit C*)

**Delegation of Authority – Regents’ Appointments to the WSU Foundation Board of Directors and Investment Committee**

Chair Blankenship noted for the record, it was decided that this item would be presented as an Action Item rather than a Future Action Item, in accordance with Board of Regents Bylaws II.12.B.

It was moved and seconded that the Board of Regents delegate authority to the Board of Regents Chair to approve Board of Regents appointments to the WSU Foundation Investment Committee as proposed. Carried. *(Exhibit D)*

**General Revenue Bonds, 2020**

Chair Blankenship noted for the record, it was decided that this item would be presented as an Action Item rather than a Future Action Item, in accordance with Board of Regents Bylaws II.5 and 12.

It was moved and seconded that the Board of Regents adopts resolution #200918-630 and approves a General Revenue Obligations Resolution (the “Resolution”) to authorize the issuance and sale of taxable revenue and refunding bonds or other obligations, in one or more series in an aggregate principal amount expected to be no greater than \$30,000,000, the proceeds of which will be used to realize cash flow savings to the University in fiscal year 2021; with no increase in current annual debt services payments on total university debt; having a final maturity not to exceed 10 years, and a maximum interest rate not to exceed 4.0%; and delegate authority to the President or his designee to sell bonds or other obligations including the authority to determine the final issue size, manner of sale, amount of capitalized interest, maturity schedule, redemption provisions and timing of sale. The results of the transaction shall be reported back to the Board of Regents via information item after completion of the transaction. Carried. *(Exhibit E)*

**VI. OTHER BUSINESS.** Chair Blankenship reported the Board meet in Executive Session Thursday, September 17, 2020, to discuss with legal counsel litigation or potential litigation in which the University is or could be a party. As a result of those discussions, Chair Blankenship submitted the following for the Board’s consideration:

It was moved and seconded that the Board of Regents adopt Resolution #200918-629 and approve the settlement of Tort Claim No. 36570339 in the amount of \$3,000,000.00 (three million dollars), which will be covered by the University’s state insurer, and delegate authority to the President or designee to take any steps needed to finalize the settlement agreement. Carried. *(Exhibit F)*

**II. PUBLIC COMMENT PERIOD.** No public comment.

**VI. ADJOURNMENT.** The meeting adjourned at 9:31 a.m.

Approved by the Board of Regents at its meeting held November 13, 2020.

SIGNED COPIES AVAILABLE IN THE PRESIDENT'S OFFICE



Office of the Student Body President  
Associated Student of Washington State University

**Date: September 18, 2020**

**TO ALL MEMBERS OF THE BOARD OF REGENTS**

**SUBJECT: ASWSU Report**

**SUBMITTED BY: Curtis Cohen, ASWSU President**

On behalf of the Associated Students of Washington State University, I am pleased to share the following:

**Covid-19:**

ASWSU is taking steps to ensure the student body follows the “Cougs Cancel Covid” campaign. Our communications team has created informative graphics which have been posted via social media. These graphics include testing information and consequences for violating the Pullman police proclamation. In addition, ASWSU will be purchasing face masks to distribute to students on the Pullman campus.

**Student Mental Health During a Pandemic**

Quarantining and being socially distant from fellow friends can take a toll on a student’s mental health, especially the stressful transition to online courses. Recent figures show an increase in mental-health related problems. Job-loss, tied with an increase in student tuition, can create financial turmoil for students. With the majority of first-year students experiencing their collegiate experience from home, morale can be low. ASWSU has been working with an organization called 7 Cups to determine how to best provide a form of online therapy for students. We are currently working with various campus departments, including Cougar Health Services, to strategize the best approach to implement this program. With funding being a barrier, ASWSU has pledged to financially assist in adopting this program. If the first year of implementation is successful, ASWSU hopes to garner sustainable funding from various campus departments to fund this program in the coming years.

We have been coordinating with ASWSU’s on each campus, dedicated to offering this program to all students within the WSU system.

**Supporting Local Businesses**

ASWSU and GPSA are working together to help small businesses during this pandemic. As part of “restaurant week,” we will contribute up to a certain percentage of what students spend at local businesses. In the coming months, we hope to heavily support Pullman businesses with more similar events.

Leadership ● Advocacy ● Cougs

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**Office of the Student Body President**  
Associated Student of Washington State University

### **Campus Lighting and Sidewalk Safety**

ASWSU is working to install better lighting in places around campus, including the implementation of more emergency 'blue lights.' A big topic of our campaign included pushing for improved sidewalks in campus neighborhoods. We are pleased to have seen the city repair a significant portion of these sidewalks. We will continue to conduct walks around campus in order to identify places of improvement.

### **Being Accessible in a Virtual World**

An empty physical campus brings another unique challenge, being readily there for students. ASWSU will host monthly conversations for students, allowing them to share their concerns and ideas while engaging with our ideas and goals for the month. Similar to the administration's town halls, ASWSU aims to create a theme for each meeting addressing particular topics.

### **Increasing involvement within Student Government**

ASWSU created an engaging video for incoming students at Alive, this garnered a significant number of interested students eager to join student government. With a list of 40 interested applicants, ASWSU plans to reach out to these students and increase the amount of participation and involvement in student government. More representation for students creates meaningful and long-lasting change for students.

For any additional information please free to reach me at [aswsu.president@wsu.edu](mailto:aswsu.president@wsu.edu). During these unprecedented and testing times, it is our mission that WSU Student Government is there for students whether in-person or virtual.

Leadership ● Advocacy ● Cougs

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Date: September 18, 2020

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: GPSA Report

SUBMITTED BY: Jennifer E. Johnson, GPSA President

On behalf of GPSA, I would like to thank the Board of Regents for your continued support of WSU graduate and professional students. It is with great pleasure that I report the following:

**Support & Representation:** This year is a little different for everyone. The GPSA has worked over the summer to begin to transform its structure and funding allocations in order to support our students in new and beneficial ways. Another key focus over the summer was expanding our presence on both community and university advisory groups. This is especially important right now as these groups are making many changes that affect all students, and GPSA wants to ensure that graduate and professional student voices are being heard and our concerns are being addressed.

**New, virtual and remote-based funding opportunities:**

- **RSO Funding:** All students are currently struggling to find engagement opportunities during this isolation experience. GPSA has committed \$45,000 this year to helping fund graduate student organizations which are aiming to improve the student experience through novel engagement and socially-distanced experiences for our students.
- **Dissertation Grants:** Our Dissertations grants have continued to grow over the past few months. Although this is a new source of funding from GPSA, since it's initiation in January, we have received over 30 applications and plan to fund nearly \$12,000 to help graduate students in their final year finish up their research. Already, we have received very positive feedback on this resource as many students struggle with last minute costs which may hinder their ability to graduate.
- **Virtual-based Travel Grants:** A key part of the graduate student experience is attending conferences in order to present research, network, and receive feedback. Many professional conferences were cancelled this semester/summer due to the COVID-19 pandemic. However, we are expanding our current program to help provide funds to graduate students who may no longer be able to travel but have opportunities for professional and academic development in other areas. This includes virtual conference registration, online certification programs, second-language programs, and many more. Our goal as an organization is to ensure graduate and professional students have the best possible experience, especially during hard times. As a result, we felt it was essential to use our resources to help students in any way we could.
- **Sponsorships:** The GPSA has also decided to increase allocations to our sponsorship program. This year we are looking to help fund both WSU and community efforts to help and assist our students during these difficult times. This source of funding is available to any organization looking to provide necessary items, host virtual events, or contribute to the student experience in another way.

**Graduate Student Bill of Rights:** GPSA is committed to advocating for our Graduate and Professional Students in Pullman and our research and extension sites across the state. To that end, we are drafting a Graduate Student Bill of Rights to outline the rights and expectations our students can expect as part of the WSU community. It can be broken up into 5 areas of concern: Assistantships, Confidentiality, Professional Development, Discrimination, and Academics. We have been in contact with members of the administration and have received nothing but support throughout this process.



September 18, 2020

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Faculty Senate Report

SUBMITTED BY: David Turnbull, Chair

### **Summer 2020 Update**

- We collaborated with the Office of the Provost as well as the Office of Civil Rights Compliance and Investigation to update the Faculty Manual to follow new federal Title IX guidance.
- We collaborated with Information Technology Services (ITS) and Academic Outreach and Innovation (AOI) to continue the new Canvas Learning Management System (LMS) pilot program. Migration from Blackboard to Canvas will be complete by fall 2021. This is especially significant as the new LMS brings better tools for synchronous and asynchronous delivery of academic courses and degrees.
- We worked with the Office of Research to evaluate draft revisions to EP#2, which concerns how F&A fees are distributed within and between campuses.
- In collaboration with ITS, AOI, and other system stakeholders, we prepared a report outlining technology needs (including software licensing) required for a robust and high quality remote educational experience for both faculty and students. This report detailed tools needed for academic integrity (online proctoring, originality reporting), remote instructional needs for faculty, tools to bolster college preparedness for historically underrepresented students, and many other short- and long-term technologies required to continue to provide high quality courses and fully online degrees.
- We partnered with ITS to create, distribute, and analyze a new type of survey instrument used to gather student feedback for spring 2020. Specifically, the tool surveyed student experience in moving from face-to-face to online instruction. This is noteworthy in that this new tool is integrated with myWSU and is accompanied by robust data visualization dashboards. This tool may be used for fast formative assessment this fall so obstacles can be identified quickly to improve remote delivery.

### **Faculty Feedback on Roles and Responsibilities Report**

On June 16<sup>th</sup>, President Schulz and Provost Chilton provided the senate with the final report from the Roles and Responsibilities Task Force. Over the last few months, senate has been collecting feedback and will present a summary to the president later this semester. The Faculty Senate stands ready to collaborate with the committee/collaborative matrix structure in helping shape WSU's future.

# WASHINGTON STATE UNIVERSITY FOUNDATION

September 18, 2020

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Foundation Regents Report

SUBMITTED BY: Lisa Calvert, Vice President for Advancement  
CEO, Washington State University Foundation

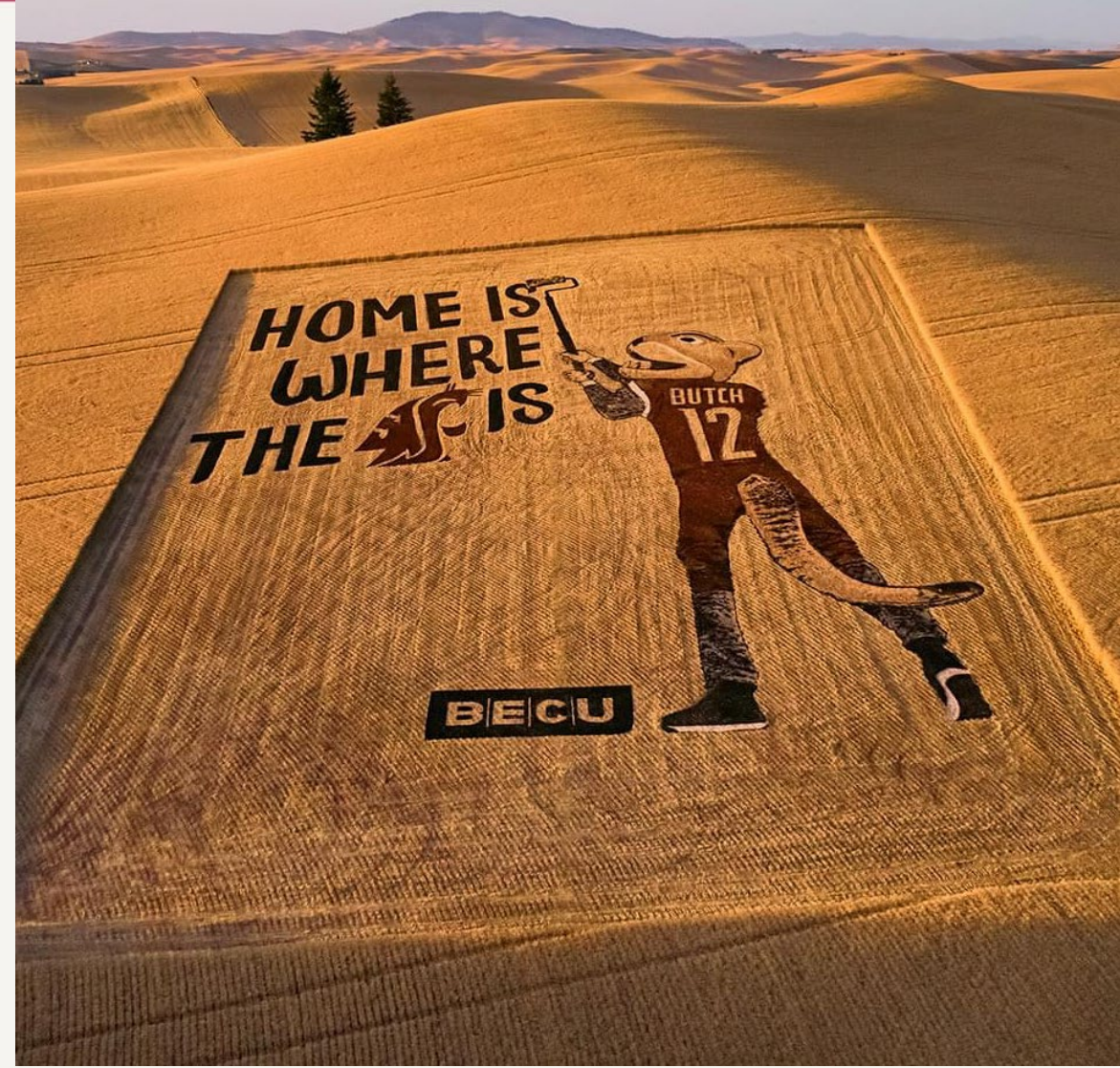
The Washington State University Foundation is pleased to report the following:

- Despite the unprecedented impact of COVID-19 on WSU's entire advancement operation since late March, the WSU Foundation received \$125,009,208 in total philanthropic commitments during Fiscal Year 2020 (July 1, 2019—June 30, 2020). This represents a modest 2.82% decrease in philanthropic activity over the previous fiscal year. This is notable at a time when higher education has experienced significant decreases in philanthropic activity, with some institutions reporting declines of 10-20% over the previous year.
- The WSU Foundation's endowment has also weathered high volatility as the markets responded to the global pandemic during FY2020, posting a 12-month investment return of -2.0% to arrive at a market value of \$499,118,125 as of June 30, 2020.
- WSU was recently awarded the 2020 Educational Fundraising Award for Overall Performance for public research universities with endowments over \$215 million and higher by the Council for Advancement and Support of Education (CASE). As one of only five institutions recognized in this category, WSU Advancement is lauded for demonstrating solid program growth, having breadth in its base of support, and proving itself to be a well-maintained program. CASE recognizes exemplary development programs like WSU's based on a blind review of three years of institutional data submitted to the Voluntary Support of Education (VSE) survey.
- The WSU Foundation is positioned to grow the endowment from \$500 million to more than \$1 billion during the campaign. The WSU Foundation Board of Directors will implement a new governance structure this fall, which will align to industry best practices to optimize and grow sustainable philanthropic investment across the University. The effective and meaningful engagement of all volunteers will also be essential for campaign success. A 12-person Trustee Engagement Task Force has been meeting since April to assess the Trustee experience, and to recommend and implement a meaningful volunteer engagement strategy that will maximize the impact of philanthropic activity University-wide and amplifying the reach of WSU Advancement.
- With respect to the ongoing challenges presented by COVID-19, and in alignment with WSU Pullman's decision to move to distance learning this fall to minimize opportunities for COVID-19 to spread, the WSU Foundation has also made the decision to move the WSU Foundation's Fall Meeting to a virtual fall meeting experience that will be engaging and informative, October 1-2, 2020. The annual Recognition Gala will be postponed to Spring 2021 for a date, time, and location to be determined.



# WSU Foundation

- FY2020 philanthropic activity finishes strong despite COVID-19
- WSU earns a top advancement award
- New governance structure to be implemented this fall
- WSU Foundation to host virtual Fall Meeting, Oct. 1-2





September 18, 2020

TO: ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Administrative Professional Advisory Council Report

SUBMITTED BY: Anna McLeod, Chair

The Administrative Professional Advisory Council is pleased to report the following:

1. APAC held election on May 14<sup>th</sup> and elected a new Executive Team
  - a. Anna McLeod (WSU Everett), Chair
  - b. Jessica Gerdes (ESFCOM), Vice Chair
  - c. Margaret Singbeil (WSU Real Estate and Business Operations, Seattle), Treasurer
2. This year APAC will be updating the outdated Strategic Plan from over 5 years ago and will present at the end of the year.
  - a. Key themes: Diversity, Equity and Inclusion; Professional Development; APAC Awareness
3. At the APAC Retreat in June, the council identified need for a Diversity, Equity and Inclusion committee to look at diversity initiatives within APAC and diversification of membership. A new committee will be working with HR to develop Career Ladders for AP title codes.
4. Due to COVID-19, APAC postponed the spring seminar to be held in fall 2020. This seminar will be in coordination with the Carson College of Business. Our speaker is Jan Hargrave, a leading expert in behavioral authority and body language will present "Actions Speak Louder Than Words: Understanding Nonverbal Communication". This seminar has been scheduled for October 13<sup>th</sup> and will be accessible via Zoom system-wide.
5. APAC continues to have a voice on several university committees and councils including the Fiscal Health Advisory Committee, the Strategic Planning and Institutional Effectiveness Council, and The Commission on the Status of Women, among others.
6. APAC continues monthly council meetings where all APs are encouraged to attend, and VPs and upper administration are asked to present on initiatives and updates throughout the year. APAC Executive Leadership will continue to meet with President Schulz monthly discussing issues brought forth from APs throughout the WSU system.
7. APAC will be continuing Professional Development opportunities for staff, virtually, this year. The PD committee will be looking internally for speakers to feature throughout the year.
8. This year APAC will be focusing on streamlining communication to APs across the WSU system and increasing awareness to the work that APAC does.

**September 18, 2020**

**TO: ALL MEMBERS OF THE BOARD OF REGENTS**

**SUBJECT: WSU Alumni Association Progress Report**

**SUBMITTED BY: Doug Willcox, WSUAA President 2020-2021  
Tim Pavish, WSUAA Executive Director**

### **40 by '20 is Achieved**

With the unwavering support of our members, the WSUAA has achieved our goal of reaching 40,000 members by 2020. Back in 2003, the WSUAA had just 13,000 members. At that time, WSU needed more Cougs to be engaged with the university, so the WSUAA set our sights on doubling the number of WSUAA members. That was an enormous undertaking, however, the WSUAA knew Cougs would respond. In 2012, the WSUAA exceeded 26,000 members. As the WSU system grew, so did its need for alumni support. The WSUAA decided that if we could double membership, why not more than triple it. In 2018, the WSUAA launched its "40 By '20" membership drive. Once again, the Cougar Family joined in the effort, and the goal was reached six months early. The WSUAA's membership program has been ranked #4 for percent of members and #2 for member retention as compared with Top-25 universities.

### **WSU Alumni and Friends Helping Students**

The WSU license plate continues its streak as the #1 specialty license plate in Washington. The 22,738 Cougar plates on the road lead all other specialty plates in the state. The license plate program generated over \$673,000 in 2019-2020 – the highest annual total achieved by any specialty plate, ever. 100% of the funds go to scholarships across the WSU System. Since the WSUAA took over the license plate program in 2007, the number of plates on the road has more than doubled.

### **Keeping Cougs Connected When It's Needed Most**

From managing finances and imparting interview tips, to providing social activities and increased connections within the Cougar Community, the WSUAA continues to address the needs of WSU alumni everywhere. WSUAA has been working hard to coordinate a collection of online programming intended to help Cougs engage, learn, connect, and grow virtually. The WSUAA has hosted or curated nearly twice the number of events since mid-March compared with last year. The WSUAA's virtual programming has engaged over 2,600 alumni to date. One of the most popular virtual programs is the WSUAA's new online book club, *Well-Read Cougs*. Close to 70% of those who joined *Well-Read Cougs* had not previously engaged with the University. The WSUAA has also hosted several successful virtual wine tastings with award-winning Cougar-connected wineries such as Bergevin Lane Vineyards, Cinder Winery, and Clearwater Canyon Cellars. Additionally, there has been a variety of career-centered talks and workshops such as "How to Get Clarity and Get Ahead in Your Career" and "Turning Adversity in Opportunity," designed to help Cougs who are looking for a new job or trying to advance in their current position. The WSUAA continues to innovate to engage more Cougs. For example, while the in-person *Feast of the Arts* dinner series has been postponed, the WSUAA will be conducting a *Feast at Home* virtual version hosted by Tim Pavish and Chef Jamie Callison. The evening events will also feature a Cougar winemaker and talented Hospitality Business Management students via Zoom.

**WSUAA – Helping to Keep WSU and the WSU Family Connected**

**ACTION ITEM #1 (Revised 9-17-2020)**  
President's 2020-2021 Goals and Objectives  
(Kirk Schulz)

September 18, 2020

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Proposed 2020-2021 Goals and Objectives

PROPOSED: That the Board of Regents accept the President's 2020-2021 Goals and Objectives

SUBMITTED BY: Kirk H. Schulz, President

SUPPORTING INFORMATION: Pursuant to the Board of Regents Policy on Presidential Performance Evaluation, attached please find my "2020-2021 Annual Goals and Objectives". The goals outlined and objectives in this document reflect issues of strategic importance for the WSU Pullman campus and the WSU System, including those related to the System Strategic Plan goals and related initiatives.

These goals were presented at the June 25-26, 2020, Board of Regents retreat where the Regents had the opportunity to provide feedback and make suggestions for the upcoming year.

ATTACHMENT: *2020-2021 Annual Goals and Objectives document*

**President Kirk H. Schulz**  
2020-2021 Annual Goals and Objectives

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**WSU Pullman Goals**

- Meet target spending levels for WSU Athletics for 2020-2021 that are consistent with the Regents-approved FY2021 Athletics Budget.
- Develop and implement a WSU Pullman Strategic Plan.
- Continue implementation of the recommendations submitted by the Campus Culture and Climate working groups of faculty, staff, and students charged to develop a plan to build a more welcoming and inclusive environment at WSU Pullman.

**WSU System Goals**

- Develop and implement a two-year plan focused on enhancing WSU's presence in the Greater Seattle area and tie it to the University's budget and philanthropic goals.
- Raise in excess of \$135 million in philanthropic funds in support of WSU.
- Develop and communicate fiscal plans to address expected COVID-19 state of Washington related budget reductions.
- Launch the WSU System Strategic Plan, including appointing working groups, to develop the areas of focus within the context of the four strategic plan goals:
  - Goal 1 – Research, Innovation & Creativity
  - Goal 2 – Student Experience
  - Goal 3 – Outreach, Extension, Service and Engagement
  - Goal 4 – Institutional Effectiveness & Infrastructure
- Guided by the WSU System Strategic Plan, work on the following related initiatives:
  - Develop an annual process of integrated planning and budgeting that is driven by WSU's land-grant mission.
  - Establish a President's Commission on Campus Culture and Climate to: (1) serve as the principal working group to assist with system strategic planning initiatives related to diversity, equity, and inclusion; (2) collaborate with all campuses, colleges, and units systemwide to advance the work of the five working groups around culture and climate issues; and (3) identify and share best practices around important cultural matters that impact the institution.

- Develop and implement a new WSU system enrollment management plan.
- Advance WSU's institutional analytics capability to support data-informed decision-making to enhance administrative efficiency and strategic leadership across the system, including the development and implementation of a comprehensive web-based interactive dashboard for WSU System Strategic Plan metrics.
- Develop and implement an action plan to further define WSU system functions and responsibilities for leadership as outlined in the System Roles and Responsibilities report.
- Hold strategic discussions with administrators, faculty, staff, and students, including a virtual 2020 Planning Conference for WSU, focused on issues of importance facing the institution and the state.



**ACTION ITEM #2**  
FY2021 Athletics Budget Approval  
Additional Impact of COVID-19  
(Stacy Pearson/Pat Chun)

September 18, 2020

TO ALL MEMBERS OF THE BOARD OF REGENTS

**SUBJECT:** Additional Impact of COVID-19 on FY2021 Athletics Budget

**PROPOSED:** That the Washington State University Board of Regents approve the changes to the FY2021 Athletics budget which are a result of the COVID-19 pandemic. Changes include reductions to both revenue and expenses.

**SUBMITTED BY:** Stacy Pearson, Vice President for Finance and Administration

**SUPPORTING INFORMATION:** The WSU Board of Regents approved the FY2021 Athletics budget in an open public meeting in June 2020 in compliance with RCW 28B.15.120 (Board of trustees or regents—annual budget requirements) and state legislation. On August 11, the Pac-12 Conference announced the postponement of all fall sports until at least January 1, 2021. While the impacts of the pandemic on the Athletics budget have resulted in lower expenses, the reductions in revenue are projected to be even higher due to the postponement of fall sports.

On the revenue side, the postponement of fall sports will result in a potential loss of a significant portion of WSU's Pac-12 distribution. Additionally, Athletics is still forecasting some home events with minimal to no fan participation across all sports. The total reductions in revenues are estimated to total over \$30 million.

On the expense side, savings are realized in several areas related to sport programs including game expenses, team travel, and recruiting. Expenditure reductions have been implemented in support areas due to lack of events in the fall and other travel related restrictions. The Pac-12 has also implemented cost containment measures which will reduce the annual Pac-12 dues. Additional steps have been taken to reduce compensation for all employees. In August, two-week furloughs were implemented for non-contract employees and a 5% salary reduction for all contract employees.

Due to the rapidly changing environment, it would be premature to make any changes to the projections for future fiscal years (FY2022-FY2024) at this time. Athletics continues to monitor this evolving environment and will provide budget updates as new information becomes available and at the November Regents meeting.

As referenced in the earlier presentation on integrated financial planning, WSU is evaluating options to help address the projected increase in Athletics operating deficits for FY21.

- ATTACHMENTS:
- Attachment A: Historical Athletics Five Year Annual Operating Budgets (FY16-FY20)
  
  - Attachment B: September 2020 Update to the FY2021 Approved Operating Budget including unaudited FY20 projections and projections for FY22-FY24.

## Attachment A: Historical Athletics Five Year Annual Operating Budgets (FY16-FY20)

Washington State University Athletics Budget - Historical					
	Actual FY16	Actual FY17	Actual FY18	Actual FY19	Unaudited FY20
<b>REVENUES:</b>					
Ticket Sales	5.5	7.7	8.4	9.5	8.6
Contributions/Endowments	8.2	8.7	9.8	12.4	15.3
NCAA/Pac-12	28.6	32.8	31.9	34.2	34.7
Royalties/Advert/Sponsor	6.3	4.4	4.4	4.6	3.3
Waivers/Student Fees	4.5	4.9	5.0	5.2	5.2
Other Revenue**	5.5	5.9	5.5	5.8	7.5
<b>Total Revenue</b>	<b>58.7</b>	<b>64.4</b>	<b>65.0</b>	<b>71.6</b>	<b>74.7</b>
<b>EXPENSES:</b>					
Compensation	24.5	25.2	26.1	27.7	28.5
Scholarships	11.0	10.7	10.8	11.0	10.5
Sport Programs*	11.7	11.2	11.7	11.4	10.7
Marketing/Fund Raising	2.4	2.2	2.0	1.8	1.3
Debt Payments	9.7	9.3	9.2	9.2	9.2
Direct Admin/Dues	4.1	4.0	4.1	4.7	4.3
Other Expense**	8.3	9.2	9.8	10.3	12.7
<b>Total Expenses</b>	<b>71.6</b>	<b>71.9</b>	<b>73.7</b>	<b>76.2</b>	<b>77.2</b>
<b>Net Income from Operations</b>	<b>(12.9)</b>	<b>(7.5)</b>	<b>(8.7)</b>	<b>(4.6)</b>	<b>(2.5)</b>
<b>Capitalized Expenses</b>	<b>0.6</b>	<b>1.0</b>	<b>2.7</b>	<b>0.7</b>	<b>6.9</b>
<b>Net Income after Capitalized Expenses</b>	<b>(13.5)</b>	<b>(8.5)</b>	<b>(11.4)</b>	<b>(5.3)</b>	<b>(9.4)</b>
<b>Accumulated Deficit</b>	<b>(49.4)</b>	<b>(57.9)</b>	<b>(69.3)</b>	<b>(74.6)</b>	<b>(84.0)</b>
<i>*Sport Programs includes team travel, game expenses, recruiting, equipment, meals, spirit, medical</i>					
<i>**Significant other revenues and expenses include:</i>					
<i>Revenue: concessions, game guarantees, game day parking, facility fees from admissions and allocations from campus parking rights</i>					
<i>Expenses: academics, game guarantees, severance, ticketing partner commission, concession expenses, Workday assessment, all other goods &amp; services</i>					

Attachment B: September 2020 Update to the FY2021 Approved Operating Budget including unaudited FY20 projections and projections for FY22-FY24

Washington State University Athletics Budget							
	Unaudited FY20	Orig Budget* FY21	Sept Update FY21	Difference	Budget FY22	Budget FY23	Budget FY24
<b>REVENUES:</b>							
Ticket Sales	8.6	8.7	0.6	(8.1)	10.6	11.6	11.2
Contributions/Endowments	15.3	11.9	9.3	(2.6)	12.2	13.0	12.5
NCAA/Pac-12	34.7	38.0	21.6	(16.4)	39.3	41.2	42.9
Royalties/Advert/Sponsor	3.3	3.3	1.6	(1.7)	3.4	4.8	5.1
Waivers/Student Fees	5.2	4.8	4.8	-	5.2	5.2	5.2
Other Revenue	7.5	5.3	3.6	(1.7)	8.9	9.4	9.6
<b>Total Revenue</b>	<b>74.7</b>	<b>72.0</b>	<b>41.5</b>	<b>(30.5)</b>	<b>79.6</b>	<b>85.2</b>	<b>86.5</b>
<b>EXPENSES:</b>							
Compensation	28.5	28.6	26.7	(1.9)	29.1	30.0	30.6
Scholarships	10.5	11.4	11.4	-	11.5	11.7	12.0
Sport Programs**	10.7	12.2	11.5	(0.7)	13.0	13.4	13.5
Marketing/Fund Raising	1.3	2.0	1.7	(0.3)	2.5	2.6	2.6
Debt Payments	9.2	10.0	10.0	-	10.0	10.0	10.0
Direct Admin/Dues	4.3	4.7	3.5	(1.2)	4.7	4.9	5.1
Other Expense***	12.7	8.1	7.1	(1.0)	12.0	10.7	10.9
<b>Total Expenses</b>	<b>77.2</b>	<b>77.0</b>	<b>71.9</b>	<b>(5.1)</b>	<b>82.8</b>	<b>83.3</b>	<b>84.7</b>
<b>Net Income from Operations</b>	<b>(2.5)</b>	<b>(5.0)</b>	<b>(30.4)</b>	<b>(25.4)</b>	<b>(3.2)</b>	<b>1.9</b>	<b>1.8</b>
<b>Capitalized Expenses</b>	<b>6.9</b>	<b>0.3</b>	<b>0.3</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>-</b>
<b>Net Income after Capitalized Expense:</b>	<b>(9.4)</b>	<b>(5.3)</b>	<b>(30.7)</b>	<b>(25.4)</b>	<b>(3.5)</b>	<b>1.9</b>	<b>1.8</b>
<b>Accumulated Deficit</b>	<b>(84.0)</b>	<b>(89.3)</b>	<b>(114.7)</b>		<b>(118.1)</b>	<b>(116.3)</b>	<b>(114.4)</b>
<i>*Original Budget approved at June 2020 BOR Retreat</i>							

## **ACTION ITEM #3**

### **Delegation of Authority - Regents' Appointments to the WSU Foundation Board of Directors and the WSU Foundation Investment Committee (Kirk H. Schulz)**

September 18, 2020

TO ALL MEMBERS OF THE BOARD OF REGENTS

**SUBJECT:** Delegation of Authority - Regents' Appointment to the WSU Foundation Board of Directors and to the WSU Foundation Investment Committee

**PROPOSED:** That the WSU Board of Regents delegate authority to the Board of Regents Chair to approve, review, and de-select Board of Regents appointments to the WSU Foundation Board of Directors, pursuant to the Amended and Restated Bylaws, and the WSU Foundation Investment Committee, pursuant to the Charter and Investment Policy Statement of the WSU Foundation Consolidated Endowment Fund.

**SUBMITTED BY:** Kirk H. Schulz, President

**BACKGROUND:** WSU Regents currently serve on the WSU Foundation Board of Directors and the WSU Foundation Investment Committee, as provided in the Amended and Restated Bylaws of the WSU Foundation and the Charter and Investment Policy Statement of the WSU Foundation Consolidated Endowment Fund, respectively. The Foundation Bylaws do not specify the manner in which a Regent appointment is made to the Board of Directors, while the Investment Policy Statement provides that the Board of Regents appoints the members to the Investment Committee.

It is proposed that the Regents delegate authority to the Chair of the Board of Regents to make these Foundation committee appointments at the same time and in the same manner as appointments are made each year to the Board of Regents Standing Committees.

Article III of the Board of Regents Bylaws provides: "Following Board elections, as outlined in Article I, Section 3, the Chair of the Board shall make Committee appointments ...." The Board of Regents committee appointments are made each year during the summer,

following the Board's annual retreat that typically takes place in June. Making the Foundation appointments at the same time would help to ensure their efficiency and timeliness.

Following is additional background information from the Foundation Bylaws and the Investment Policy Statement.

### WSU Foundation Board of Directors

The Board of Directors of the WSU Foundation Trustees serves as the governing board for the WSU Foundation. The Board of Directors has fiduciary responsibility for the general business and affairs of the WSU Foundation, including oversight of the Foundation's property, assets, and policies of the WSU Foundation.

The Foundation Bylaws provide for the appointment of a representative from the WSU Board of Regents. Article 4.1 of the Bylaws states that "[t]he Board of Directors is comprised of not less than fourteen (14) individuals, nine (9) of whom shall be elected by the Directors, and five (5) of whom shall serve as Directors ex officio (i.e. by virtue of the offices or positions they hold), namely:

- Chief Executive Officer of WSU Foundation (voting)
- Immediate Past President of the Board of Directors (voting)
- President of University (non-voting)
- University Board of Regents Representative (non-voting)
- President of University Alumni Association (non-voting)

### WSU Foundation Investment Committee

Members of the WSU Board of Regents are fiduciaries for University endowed assets that are managed and invested by the WSU Foundation Directors, the WSU Foundation, and the WSU Foundation Investment Committee (Committee). Additionally, as provided in the Investment Policy Statement, "[t]he Investment Committee, a standing committee established under the Restated Bylaws of the WSU Foundation, shall be responsible for investments, reinvestments, and general management of all gifted property and assets of the WSU Foundation and those University assets entrusted to the WSU Foundation by contract with the University, except planned gift assets under management and oversight of the Gift Acceptance Committee."

Pursuant to the Investment Policy Statement, the Regents are responsible for reviewing and approving Regents-appointed members to the WSU Foundation Investment Committee. They are also responsible for reviewing and approving de-selection recommendations from the Committee of Regents-appointed members. De-selection does not include normal end-of-term roll-off of members.

Following for your reference is an excerpt from Investment Policy Statement regarding the composition and duties of the Investment Committee (highlighting added for ease of reference):

#### COMPOSITION/APPOINTMENT/TERMS:

The Committee is comprised of at least seven (7), but not more than eleven (11) appointed members (voting) and between two (2) and four (4) ex officio members (non-voting). The Regents appoint two (2) of these voting members, one of whom must be a member of the Regents, the other who may be a Regent or a volunteer with investment experience selected upon consultation with the Committee, subject to notice to the Directors. These members serve a one-year (1-year) renewable term upon appointment by the Regents. The other Committee members are appointed by the Chair of the Board of Directors and are selected from volunteers with investment experience upon consultation with the Committee, and subject to notice to the Regents. These members serve two (2) four (4-year) renewable staggered terms for a maximum of two (2) terms. Ex officio (non-voting) seats are designated by the Directors pursuant to the Charter and shall always include at least one (1) University representative and one Audit Committee Member. The Committee Chair Serves for one (1) two-year (2-year) term and is appointed by the Chair of the Board of Directors. As the date of the adoption of this Investment Policy, the Executive Director of Budget and Planning of the University, the CEO of the WSU Foundation, and the Snr. Associate Vice President of Finance, Operations and Services of the WSU Foundation are ex officio. The Chair can serve one additional two year (2-year) term upon approval by the Chair of the Board of Directors. Members whose terms have expired, may serve until a successor is appointed. The Committee Chair must be a Director. The Snr. Associate Vice President for Finance, Operations and Services of the WSU Foundation serves as Secretary to the Committee.

Further, following are the duties of the Investment Committee:

The Committee is responsible for implementation of this Investment Policy, and for investing capital, monitoring and reviewing investment performance, establishing appropriate benchmarks, and investment management. It may delegate fulfillment of investment and administrative tasks to others. The Committee's responsibilities with respect the Fund's assets include completing each of the duties below in a prudent manner:

- Exercise ordinary business care and prudence under the facts and circumstances prevailing in managing and investing the assets of the endowment. Specific factors guiding the Committee in managing and investing the assets are:
  - General economic conditions;
  - Effects of inflation and deflation;
  - Expected tax consequences of investment decisions;
  - Role of each investment in fund portfolio;
  - Expected total return from income and growth of investments;
  - Other University resources;
  - Needs for the fund to make distributions and preserve capital;
  - An assets special relationship or special value to the University's mission;
  - To incur only costs that are appropriate and reasonable in relation to the Fund's assets;
  - Make reasonable effort to verify facts relevant to the management and investment of the Fund; and
  - Annually (each December) review Investment Policy Statement.
- Act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in delegating management and investment of the Fund to an external agent in:
  - Selecting the agent;
  - Establishing the scope and terms of the delegation; and
  - Reviewing and monitoring the agent's performance.
- Act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in making decisions to appropriate for expenditure or accumulate Fund assets, taking into consideration:
  - Duration and preservation of the endowment fund;



- Purposes of the University and the endowment fund;
- General economic conditions;
- Possible effect of inflation or deflation;
- The expected total return from income and the appreciation investments;
- Other resources of the University
- This Investment Policy.
- Comply with all applicable state and federal laws, regulations, and rulings that relate to the Fund's investment management process.
- Recommend Investment Policy changes to the Directors and the Regents.
- Operate within the allocation ranges of the Investment Policy.
- Establish and regularly review objectives, asset allocation, and guidelines for the investment of the Funds' assets.
- Establish and regularly review manager structure guidelines for the Fund's components.
- Establish and comply with policies addressing issues that may result in perceived or actual conflicts of interest (including but not limited to relationships with investment managers or other firms doing business with the Fund and receipt of gifts or entertainment above a certain dollar value from firms doing business with the Fund) and other governance issues.
- Select qualified external investment managers to manage the Fund's assets.
- Select other service providers it deems appropriate to carry out its function, including, but not limited to, independent investment consultant(s).
- Meet quarterly to evaluate policy compliance, review progress in achieving the Fund's goals, and assess the effectiveness of the investment program.
- Evaluate the Fund's performance and the performance of the professionals hired to assist the Committee in managing the Fund's investment program.
- Communicate on a regular basis with the investment managers and investment consultant.
- Periodically review and evaluate ongoing understanding and relevance of investment policies of commingled funds in which Fund assets are invested.
- Take appropriate action if objectives are not being met or if policy and guidelines are not being followed.
- Keep the Audit Committee informed of any laws, regulations, rulings or investment decisions that might affect the annual audit of the WSU Foundation.

If the Regents approve this delegation, it is recommended that the WSU Foundation Charter and Investment Policy Statement be amended as soon as possible to reflect this change.

The Regents Chair-appointed committee member (Regent member) shall report back to the Regents on an annual basis regarding the operational performance of the Fund and other significant developments. In addition, the other responsibilities of the Board of Regents as set forth in Section 2.1.2 of the Foundation Charter and Investment Policy Statement will not be impacted by this delegation. Those responsibilities include:

- Approve the Investment Policy and changes to the Investment Policy as it relates to University endowed assets.
- Annually review the operational performance of the Fund and the actions of the WSU Foundation, its Directors, and its Committee in their role as manager of University endowed assets in order to monitor performance and compliance with the scope of the delegation of management of University endowed assets.

**BOARD OF REGENTS**  
General Revenue Bonds, 2020

**Resolution #200918-630**

WHEREAS, RCW 28B.30.095 vests the management of Washington State University in the Board of Regents of Washington State University, and

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee, to act on behalf of the Board of Regents in matters relating to the administration and governance of the University, and

WHEREAS, the Board of Regents Policy #5 on Debt Management sets forth refinancing and refunding principles which permit the University to conduct debt refunding transactions to generate cash savings for the benefit of the University, and

WHEREAS, the University has identified a number of debt refunding opportunities that will generate cash savings for the benefit University over the next several years, and

WHEREAS, new general revenue obligation bonds (generating funds available for any University purpose), which, combined with the savings from the refunding opportunities, may be issued without creating an increase in existing annual debt service levels, without extending the repayment terms, and providing for cash flow savings in fiscal year 2021.

NOW, THEREFORE, IT IS RESOLVED that the Board of Regents approves a General Revenue Obligations Resolution (the "Resolution") to authorize the issuance and sale of taxable revenue and refunding bonds or other obligations, in one or more series in an aggregate principal amount expected to be no greater than \$30,000,000, the proceeds of which will be used to realize cash flow savings to the University in fiscal year 2021; with no increase in current annual debt services payments on total university debt; having a final maturity not to exceed 10 years, and a maximum interest rate not to exceed 4.0%; and delegate authority to the President or his designee to sell bonds or other obligations including the authority to determine the final issue size, manner of sale, amount of capitalized interest, maturity schedule, redemption provisions and timing of sale. The results of the transaction shall be reported back to the Board of Regents via information item after completion of the transaction, including the University's short and longer term plans for use of the proceeds.

Dated this 18th day of September, 2020.

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Chair, Board of Regents

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Secretary, Board of Regents

## BOARD OF REGENTS

### Delegation of Authority to Approve Settlement Agreement

#### Resolution #200918-629

WHEREAS, RCW 28B.30.095 vests the management of Washington State University in the Board of Regents of Washington State University, and

WHEREAS, RCW 28B.10.528 gives the Board of Regents authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law, and

WHEREAS, on November 8, 2017, Washington State Tort Claim No. 36570339 was filed against Washington State University, and

WHEREAS, on August 4, 2020, Washington State University and the claimants reached a tentative settlement of all claims related to Tort Claim No. 36570339.

NOW, THEREFORE, BE IT RESOLVED that the Washington State University Board of Regents approves the settlement of Tort Claim No. 36570339 in the amount of \$3,000,000 (three million dollars), which will be covered by the University's state insurer, and delegates authority to the President or designee to take any steps needed to finalize the settlement agreement.

DATED this 18th day of September, 2020.

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Chair, Board of Regents

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Secretary, Board of Regents